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ABSTRACT

This paper describes the theoretical design and practical implementation of a set of performance indicators in a public library system in London (England). Bromley Libraries has 15 branch libraries and serves 300,000 people. The need for improved management control by assessing performance and monitoring progress, library restructuring, and government initiatives all prompted the development of a set of performance indicators. This paper analyzes the aims and objectives of the project; how the indicators were selected; production criteria and the chosen set of indicators; what was learned from the project; and how the indicators are used in practice. Implementation challenges included: obtaining staff commitment which is crucial for the valid and continued use of the indicators; defining consistent terms; and ensuring validity, reliability, and credibility. The main advantages of the performance indicators are as a practical management tool for comparing branches over time, systematic stock provision, and more informed decisions; as a means of preempting problems; and as a platform for further informed questions. In public libraries, both what is measured and how the results are interpreted should reflect the aims and objectives of the particular service. The main test of a good set of indicators is their ability to determine whether a service is effectively fulfilling its chosen objectives. Figures show sample performance data. (SWC)

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From Rationale to Results: Implementing Performance Indicators in a Public Library

by Ruth Alston

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From Rationale to Results: Implementing Performance Indicators in a Public Library

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Abstract

The paper describes the theoretical design and practical implementation of a set of performance indicators in a public library context (Bromley Libraries). It analyses the aims and objectives of the project, and considers how the indicators were selected; it describes production criteria and the chosen set of indicators; finally it assesses what was learned from the project, and considers how the indicators are used in practice.

It concludes that the main values of the indicators are as a practical management tool, as a means of pre-empting problems, and as a platform for further informed questions; the main test of a good set of indicators is their fitness for purpose in pointing to whether the service is making a good job of delivering its own chosen objectives.

Introduction

The project was designed and implemented in Bromley Libraries, in London, and was a joint project with Leo Favret.

The Rationale

The first question is why? Why did we need performance indicators and what did we want them to achieve?

MANAGEMENT CONTROL

The main impetus was the need for improved management control, for assessing performance and monitoring progress. Bromley has 15 branch libraries, serving 300,000 people. In 1991, when we began the project, Bromley Libraries were about to be restructured into groups whose managers would have more delegated authority. We felt we needed a better mechanism for reviewing the progress of these new decentralised performance centres, the more so because of a strong tradition of independence and variety in local service delivery at different branches.

The second spur was the climate of Compulsory Competitive Tendering (CCT) and the enabling culture - a UK Government initiative affecting an increasing range of local government services (DOE, 1991). Bromley's council has a strong policy commitment towards competition, and believes that there are considerable advantages in early contracting out. One aim of the libraries restructuring was therefore to set up separate client and contractor sides. This meant that the client side needed performance indicators as a more comprehensive monitoring mechanism, while the contractor side needed indicators to help them prepare for maximum productivity to tender as a Direct Service Organisation.

We were also much influenced by the activities of the Audit Commission - the UK's watchdog for local government services - , while the impending 1992 Local Government Act was also pushing us strongly towards better indicators.

Fourthly, we wanted our policies and planning to be based on better knowledge. We wanted better informed decisions, especially for resource allocation, and we wanted better forecasting, especially for pre-empting potential problems.

SELECTION CRITERIA

The second question is how? How did we choose a set of indicators, and what criteria did we use for our selection? We had six criteria.

- The first was that the indicators must fulfil our information needs. They must answer the questions we were asking.
- The second criterion was validity and reliability. Are we really measuring what we think we're measuring, and are the findings accurate? We gave this factor considerable weight.
- The third criterion was practicality. The indicators must be fairly quick and easy to produce, so that they are cost-effective. We therefore decided to make maximal use of system-generated performance measures, while also taking care to ensure that a report didn't get included *only* because it was readily available. We were helped in this by a good computer system (a Geac 9000) and a high level of in-house systems expertise.
- Fourthly, we wanted to select a balanced set of indicators which would give a rounded overall picture, and would avoid staff distorting what

they did in order to do well on just one indicator. At the same time, we wanted a set that was brief enough to encourage use. We were also keen to be able to compare inputs with outputs - for example, funding categories against issue categories.

- The fifth factor was actionability. The indicators were meant to be a practical tool, that staff could readily both interpret and act on. We therefore excluded measuring things we couldn't change. The emphasis on action was another reason why we didn't want too long a list of indicators.
- Our final criterion was comparability across Authorities, where it fitted in with our own questions. We did therefore actively try to incorporate some of the King Report's suggestions (King Research Ltd, 1990).

We were also involved in the South East London Performance Indicator Group (SELPIG), a group of five South East London Borough libraries established by Ian Rawlinson of Lewisham in 1991 to agree and report to each other a set of indicators. The other three Boroughs were Southwark, Greenwich and Bexley.

PRODUCTION CRITERIA

The next area for decision was when and how the indicators should be produced.

Our decision on frequency reflected the aim of using the indicators as a practical tool for regular management control. We needed an interval of time far enough apart to even out minor irregularities but frequent enough to enable appropriate action to be taken if necessary before a service went too off course. We therefore chose intervals of one month, with a quarterly cumulation to highlight trends.

Our aims also meant that prompt and regular production was vital. We specified that the indicators should be distributed by the tenth day of every month.

We then had to decide how the indicators should be presented. Because we wanted to encourage practical use, we felt it was important to present the indicators as powerfully and attractively as possible, making liberal use of graphics and colour. Most information is given once as figures and again as coloured bar graphs or pie charts. The aim is to give all the users as much help as possible in speedily absorbing and understanding the information. The information itself is short and straightforward. This relates to our emphasis on indicators as a springboard for action.

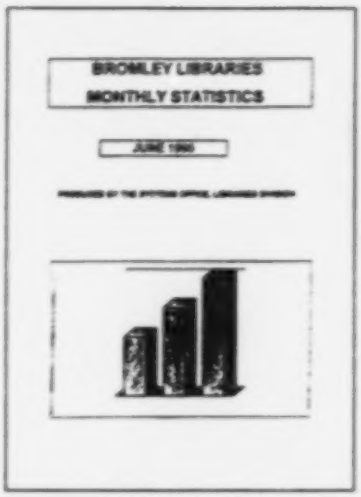
It is these features which, I feel, are one of the distinctive strengths of the project. Together with strict adherence to the selection criteria I've discussed, they transform the indicators from mere data into genuine information for managers.

The Results

So what was the result of these considerations? What did we choose, and what do they look like?

The product itself is an A4 heat-bound booklet, with a clear cover. *(Figure 1)*

Figure 1



For monthly monitoring of library performance, we chose a set of 12 indicators.

Most of the inputs were already covered in our returns to the UK's CIPFA (The Chartered Institute of Public Finance and Accountancy) and LISU (Library and Information Statistics Unit). What we wanted to know more about now mainly revolved around the amount and type of use being made of our outputs, ie. our effectiveness. We therefore devised five reports which detail our issues and analyse them in terms of branches, material types and borrower types.

I can give here only a few brief examples (for details see Alston, 1995):

- Perhaps the most useful is 'Issues by material type by branch'. This is presented both as figures and as bar graphs. The material types cover categories such as adult fiction and non-fiction, junior fiction and non-fiction, videos, maps and scores. From it we can see whether particular material types perform at particular branches markedly above or below the Borough's overall average.

- Another example is 'Issues by borrower type by branch' presented similarly as figures and in bar graphs. Borrower types cover such categories as adults, juniors, pensioners, and housebound people. This was designed to tell us which types of borrowers are making most use of which branches.

- Two more of the reports also look at effectiveness in terms of the amount of use being made of the stock. These reports cover the percentage of all lending items on loan *(Figure 2)* and the percentage of all lending books on open shelves on loan. The reports are shown by branch in bar graph form, with the percentage for each branch given. This forms a basis for easy comparison of the performance of different branches in relation to each other.

- Two of the reports look at our impact on the community. These reports measure Registered borrowers by branch *(Figure 3)* and Active borrowers by branch *(Figure 4)*, each presented in figures and as a bar graph. The percentage of active borrowers for each branch is shown, giving an instant inter-branch league table as a basis for comparison.

- The final two reports measure system availability, and the percentage of fines waived - the collection of this latter had a dramatic effect in curtailing lost fines income!

This original basic set of Branch Indicators was piloted from the end of 1991, and began to be circulated to staff as authoritative from 1 April 1992. Exactly one year behind this timetable we were able to add a set of four tables comparing performance with the same month in the previous year.

The Branch Indicators are accompanied by the Bibliographic Services Indicators, which are produced in a similar style in a separate booklet. These indicators have a somewhat different emphasis, reflecting our different questions and the different audience. This section had had to cope with a 40% staff cut coupled with a 45% workload increase. Following rigorous service reviews, we had put massive efficiency gains in place. The indicators had both to ensure and demonstrate that these improved levels of productivity were being maintained. The selected set therefore measured quantity and quality of output, and includes staff productivity as throughput per staff hour.

The quantitative measures cover the number of orders placed, the number of items receipted, and the number of titles catalogued. This latter also shed light on MORI's finding that the public care very much about the variety of items which is provided (MORI, 1992). We also analyse the items receipted and the titles catalogued by material type.

Quality of output is indicated by timeliness. We therefore record the average waiting time before an order gets input, the time from order to receipt (analysed in percentages by timebands), and the waiting time for non-urgent cataloguing (urgent cataloguing is done in three days.)

Operational efficiency is measured by throughput per staff hour for orders, receipting and cataloguing. So that this would be accurate, staff had to start using time sheets. Mindful that the weight of the superstructure should not in itself decrease outputs, we kept this very simple! We used the concept of a core job activity for each type of post, and asked the staff to record only significant amounts of time spent on other things, such as meetings, training or sickness. The simplicity means that a month's time can be covered on one A4 sheet per post, which staff total themselves. This is then cumulated into one sheet which appears in the bound booklet.

Inter-library loans output quality is measured by request satisfaction time, against the new target of 80% in 30 days (a dramatic improvement from the former 50% in 30 days!) (Alston, 1994).

This set of indicators is, I feel, a great strength. It removes the dangers of the halo effect whereby general judgements are based on isolated incidents, and provides a powerful tool for both monitoring and optimising performance.

These two bound sets are accompanied by others, such as monthly budget monitoring against targets and the performance of our materials suppliers. The SELPIG indicators include several which cover the disaggregated costs of specific activities such as lending, reference enquiries, acquisitions and local studies services (Alston, 1995).

At the same time, other work was being done on a broader basis to look at some qualitative aspects of the service. Focus Groups were used to look at both customer and non-customer perceptions of the library service.

LEARNING POINTS

We found that some aspects of getting the project implemented and incorporated into ongoing management were rather challenging.

Foremost has to be getting staff commitment. If the staff are not committed, even the automated measures may not necessarily be wholly reliable or valid, while the more manual and derived indicators, such as those involving the time sheets,

Figure 2

All lending items on loan/ All lending items on open shelves - End June 1995

	All Lending items on Loan	All lending items on Open Shelves	Total number of items	Percentage of lending items on Loan
Anerley	7,392	22,203	29,595	24.98%
Burnt Ash	3,537	10,626	14,163	24.97%
Beckenham	24,567	51,126	75,693	32.46%
Biggin Hill	8,607	34,368	46,715	18.42%
BH (Mobile unit)	3,740	0	46,715	8.01%
Central Library	39,765	77,662	117,427	33.86%
Central Music	5,509	20,090	25,599	21.52%
Chislehurst	11,646	26,363	38,009	30.64%
Comm Services	18,362	11,080	29,442	62.37%
Hayes	5,419	13,512	18,931	28.63%
Mottingham	5,890	15,195	21,085	27.93%
Orpington	30,553	68,789	99,342	30.76%
Penge	5,869	11,465	17,334	33.86%
Petts Wood	12,120	25,907	38,027	31.87%
Shortlands	5,379	16,024	21,403	25.13%
Southborough	9,554	17,865	27,419	34.84%
St Pauls Cray	6,137	16,484	22,621	27.13%
West Wickham	16,368	29,590	45,958	35.62%
TOTAL	220,414	468,349	688,763	32.00%

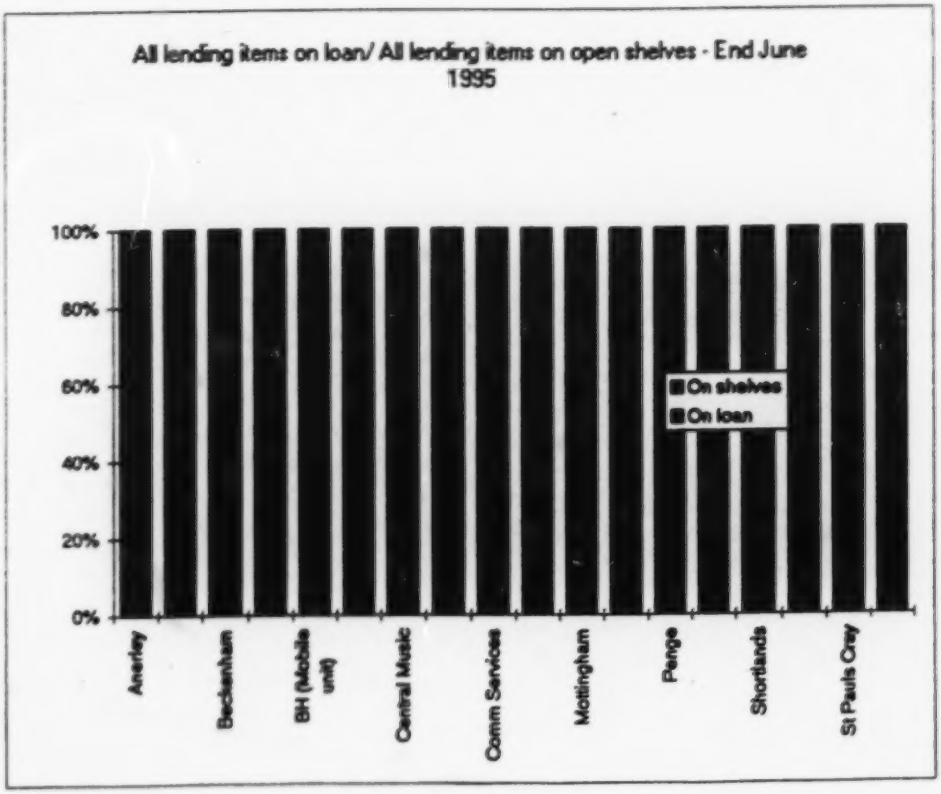


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Figure 3

Registered borrowers by Branch - End June 1995

	Number of registered borrowers	Percentage of borough total
ANE	6,470	3.45%
BA	2,394	1.28%
BEC	21,605	11.52%
BH++	9,700	5.17%
CEN+++	55,220	29.44%
CHI	10,303	5.49%
COM	600	0.32%
HAY	3,610	1.92%
MOT	5,418	2.89%
ORP	25,741	13.72%
PEN	5,949	3.17%
PW	9,539	5.08%
SHO	3,208	1.71%
SOU	4,977	2.65%
SPC	4,889	2.61%
WW	14,394	7.67%
DEF/OTHERS	3,582	1.91%
Total	187,599	100%

++Includes Mobile
+++ Includes CMA

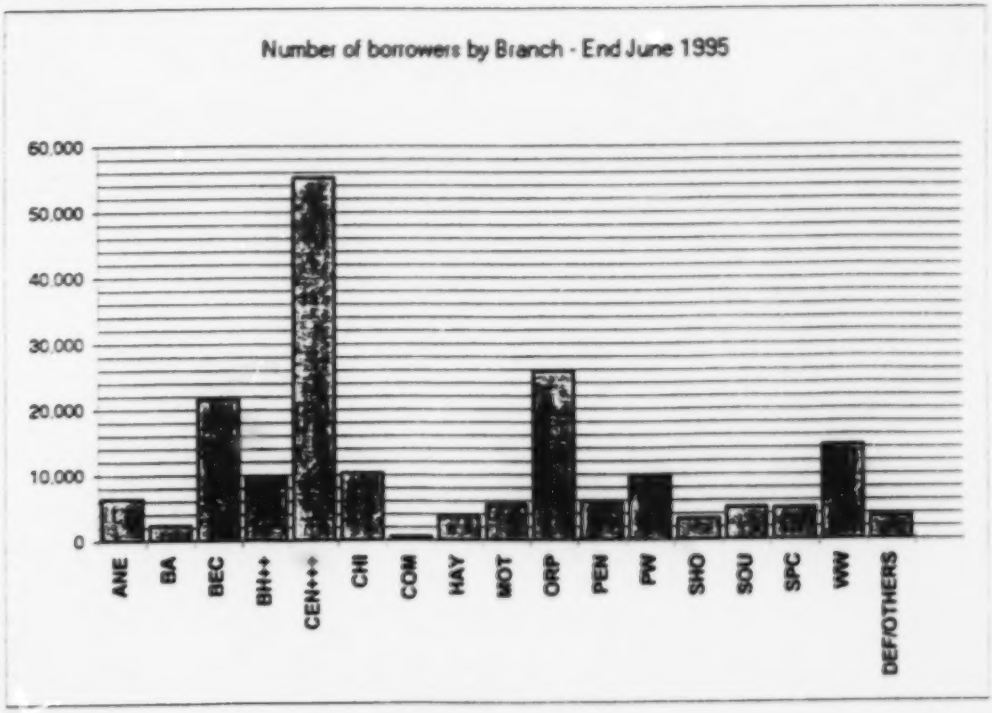
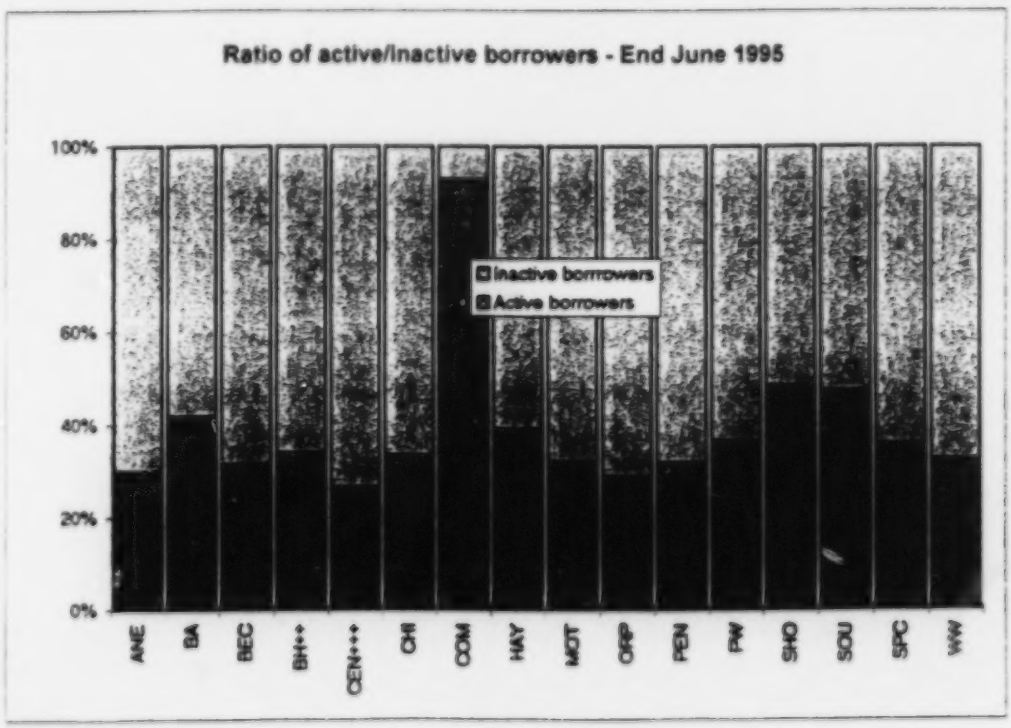


Figure 4

Active borrowers by Branch - End June 1995

	Active borrowers	Number of registered borrowers	Inactive borrowers	Percentage of active borrowers
ANE	1,932	6,470	4,538	30%
BA	1,000	2,394	1,394	42%
BEC	6,824	21,605	14,781	32%
BH++	3,296	9,700	6,404	34%
CEN+++	14,668	55,220	40,552	27%
CHI	3,436	10,303	6,867	33%
COM	557	600	43	93%
HAY	1,413	3,610	2,197	39%
MOT	1,741	5,418	3,677	32%
ORP	7,441	25,741	18,300	29%
PEN	1,891	5,949	4,058	32%
PW	3,484	9,539	6,055	37%
SHO	1,556	3,208	1,652	49%
SOU	2,359	4,977	2,618	47%
SPC	1,754	4,889	3,135	36%
WW	4,671	14,394	9,723	32%
DEF/OTH	71	3,582	3511	2%
Total	58,094	187,599	129,505	31%

++Includes Mobile
+++ Includes CMA



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demand full staff co-operation for them to be any use at all. The climate of CCT and enabling acted as a catalyst to get the project accepted more quickly. Success demands explaining fully to staff why the project is necessary, and working closely with them on the details of how best to achieve the objectives. Inevitably for the first few months the statistics will take very much longer to produce than they will a year later: convincing the staff of this can be one of the more formidable challenges of the entire project! Securing scheduled regular, prompt production was another aspect requiring determined persistence, and was one reason for having a three months trial run. All in all, ensuring the routine performance by everyone involved of their contribution to the regular production of the indicators was the part of the project that took longest to settle down. The Chambers and Stoll report on this project includes more detail on this area (Chambers and Stoll, 1995).

Definitions was another area that proved quite tricky at times, even for indicators intended as an internal management tool. For the system generated statistics, for example, it proved difficult to define an active borrower in a way that could be easily measured; eventually we settled on a snapshot method. For the manual measures it took even longer to define, for example, exactly which activities do and don't count as receipting. But consistency is vital for validity and reliability, and this stage cannot be skimped. We found that it must be the subject of ongoing vigilance, especially, for instance, if there are staff changes. Indicators involving cost had to be clear on exactly what was included - do you, for example, apportion central overheads?

The third area that proved to be something of a challenge was ensuring reliability and validity and therefore credibility. Apart from staff error, the computer system proved capable of generating information in several different ways which did not always agree with each other! Considerable detective work was required in order to diagnose and then rectify the reasons for these discrepancies. Issues, for example, was found to include issuing for binding and for processing.

USE MADE OF THE INDICATORS

My final questions on Bromley's performance indicators are what use is made of them, and are the results what we intended?

One of the strengths of Bromley's indicators is that they are a manageable set closely targeted to their respective purposes, providing, as intended, a practical management tool.

One of the most helpful ways this can be used is for comparisons between different branches in the same month, between different Authorities in the same year, or for longitudinal trend analysis to compare the same branch or section with itself at different times. This led us to discover, for example, the development of especially high levels of use of maps, scores and large print at particular branches. We also discovered that our average acquisitions throughput had achieved double the London Borough average, while our interlibrary loans review has increased speed of delivery by 60%.

One of the effects of having detailed current knowledge of our stock use has been to propel us in the direction of systematic stock provision along the lines described by Doug Betts (Betts, 1982). By discovering the actual cost required to sustain issues at their current level, decisions on resource allocation can become much better informed. The cost of maintaining the status quo is known, and judgement can then be used as to whether this should, as a policy matter, be changed. This exercise highlighted the importance of matching inputs to outputs - we needed, for example, to separate out our issues for large print and talking books to see what output our funds were buying.

Identifying and pre-empting problems was especially improved by the Bibliographical Services indicators. The balance of staff against workload was still, even after all the improvements, a delicate one. If spending slipped behind, it became possible to predict, for example, precisely what level of receipting backlog would result. Bottlenecks also became easier to spot, so that staff could be put where they were most needed. As with budget allocation, resources could be much more accurately quantified. We were thus able to be pro-active rather than reactive.

Perhaps one of the greatest values of the indicators is that they provide a platform for questions and further investigation. They raise questions, and they provide both the impetus and a factual basis for discussing those questions. The indicators are used as tools not answers.

Another value of the indicators has been the effect on staff perceptions of their activities. Increasingly these are seen as a means rather than an end in themselves. The knowledge that outputs will be measured has provided an incentive to productivity, while quality, as measured by error rates, has been maintained.

So finally, in conclusion, I stress that for public libraries, both what we choose to measure and how we interpret the results should reflect the aims and

objectives of the particular service. Because these can vary with widely different policies between Authorities, it means that we have the difficulty of little consensus on what constitutes absolute optimal performance. In one Authority it may be policy to maximise reading of light fiction, while in another it may not, resulting in very different indicator results.

The main test of a good set of indicators is their fitness for purpose, rather like choosing an appropriate map according to whether you intend to travel by motorway, sail, walk or prospect for oil! Indicators in themselves can tell us only whether we are making a good job of what we have chosen to do, not whether we should be doing something else altogether. The main test of a good use of indicators is to see them as a vital tool, but not as an end in themselves. The approach of Thomas Gradgrind 'with a rule and a pair of scales, and the multiplication table always in his pocket . . . ready to weigh and measure any parcel of human nature, and tell you exactly what it comes to' - that approach must always be treated as a part of the whole picture which must include the many intangible benefits of public libraries, just as the sea is so much more than a navigational chart.

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